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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of:)
)
Virtual Expanded Interconnection)
Tariffs) CC Docket No. 94-97
)
BellSouth Telecommunications)
Tariff F.C.C. No. 1) Transmittal No. 253

OPPOSITION

BellSouth Telecommunications, Inc. ("BellSouth") herewith files this opposition to the petition to suspend and investigate the above-referenced tariff transmittal, which was submitted by MCI Telecommunications Corporation ("MCI"). Transmittal No. 253 complies fully with the Commission's directive requiring LECs to develop specific charges for employee training on the maintenance and repair of collocator equipment. Essentially, MCI seeks the reinstatement of individual case basis (ICB) pricing which the Commission has previously disallowed. Given this circumstance, the petition raises no significant issue which would warrant suspension or investigation of the proposed tariff. Accordingly, MCI's petition should be denied and Transmittal No. 253 permitted to take effect on the scheduled date of January 14, 1995.

DISCUSSION

On December 9, 1994, the Commission released an order which addressed certain aspects of the virtual collocation

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tariffs of BellSouth and other LECs.¹ While deferring many issues until a subsequent investigation, the order mandated some revisions to be effectuated immediately in the LEC tariffs. One of these was a requirement that training provisions which employed ICB pricing be deleted and replaced with "specific rates or time and materials charges."² In compliance with this requirement, Transmittal No. 253 was filed on December 23, 1994. Scheduled to become effective on January 14, 1995, this tariff amendment removes ICB pricing for BellSouth employee training and introduces specific charges applicable to per diem and travel expenses and employee labor rates.

MCI's opposing petition was filed on December 30, 1994. MCI complains that Transmittal No. 253 does not insure collocators' training costs are "the lowest reasonably available"³ and insists that collocators should be charged "only for expenses that are actually incurred,"⁴ as evidenced by receipts and ticket stubs. MCI also attacks the methodology employed by BellSouth to develop a charge for airfare/travel, asserting that the use of certain

¹ In the Matter of Ameritech Operating Companies Revisions to Tariff F.C.C. No. 2 et al., CC Docket No. 94-97, DA 94-1421, Order, released December 9, 1994.

² Id. at ¶ 47.

³ MCI, p. 1.

⁴ Id. at p. 4.

airfare data unreasonably inflates this expense category.⁵

In effect, MCI's petition seeks ICB pricing to recover training costs--the approach BellSouth initially proposed. ICB pricing alone can insure that training costs are in all instances "the lowest reasonably available" and that collocators are charged "only for expenses that are actually incurred." The Commission's requirement to file specific charges for employee training necessarily entails use of an averaged rate structure, which in some cases will produce over-recovery, and in other cases under-recovery, of actual training costs. Moreover, use of a specific filed rate cannot be reconciled with MCI's position that training costs should be reimbursed according to amounts shown on ticket stubs and other receipts.

MCI has likewise failed to discredit the method used to develop BellSouth's rate for airfare/travel expense. Airfares employed to derive an average were based upon the most current data available and were representative of expenses for twenty-one travel routes between BellSouth cities and known training centers.⁶ Concededly, other criteria (e.g., different travel routes, common carriers,

⁵ Id. at pp. 3-4.

⁶ Originating cities used in the study are Atlanta, Birmingham and Miami. Destination cities are Raleigh, North Carolina; Richardson, Texas; Chicago, Illinois; Newark, New Jersey; Herndon, Virginia (flight into Washington National); Portland, Oregon and Dublin, Ohio (flight into Columbus, Ohio).

notice intervals, etc.) might have been selected; however, this fact alone does not impeach the reasonableness of BellSouth's projections or of the resulting rate.⁷

Finally, the proposed rate structure does not preclude collocators from taking measures to minimize training costs, such as providing training at a location near the employee's regularly assigned worksite or scheduling training to coincide with standard working hours. BellSouth will cooperate in these efforts and will accede to any reasonable request which has as its aim the prevention of unnecessary travel or other disruption of an employee's normal work assignment.

⁷ In this connection it should be noted that BellSouth does not possess an unfettered right to dictate the mode of transportation or to reimburse employees only to the extent of the least cost carrier, as MCI apparently believes. Employees for whom collocator training is appropriate are members of a collective bargaining unit represented by the Communications Workers of America. Article 9.05B of the present agreement permits covered employees to elect travel by personal vehicle and to receive a mileage allowance computed at the maximum IRS rate. Thus, the availability of discount carriers or special fare arrangements will not necessarily limit the costs incurred by BellSouth for employee travel to a collocator-designated training site.

CONCLUSION

MCI has failed to articulate any reasonable basis for suspension/investigation of Transmittal No. 253. Accordingly, the Commission should deny MCI's petition and allow the subject tariff revisions to take effect as now scheduled.

Respectfully submitted,

BELLSOUTH TELECOMMUNICATIONS, INC.

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DATE: January 9, 1995

CERTIFICATE OF SERVICE

I hereby certify that I have this 9th day of January, 1995, served the following parties to this action, with a copy of the foregoing OPPOSITION, by placing a true and correct copy of same in the United States mail, postage prepaid.

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***VIA HAND DELIVERY**